

**CITY OF MORGAN HILL  
JOINT REGULAR CITY COUNCIL  
AND REGULAR REDEVELOPMENT AGENCY MEETING  
MINUTES – MAY 24, 2006**

**CALL TO ORDER**

Mayor/Chairman Kennedy called the meeting to order at 7:00 p.m.

**ROLL CALL ATTENDANCE**

Present: Council/Agency Members Carr, Grzan, Tate and Mayor/Chairman Kennedy  
Late: Council/Agency Member Sellers (arrived at 7:10 p.m.)

**DECLARATION OF POSTING OF AGENDA**

The meeting's agenda was duly noticed and posted in accordance with Government Code 54954.2.

**SILENT INVOCATION**

Mayor/Chairman Kennedy announced that the meeting would be adjourned in memory of David Thoms, an active community member and runner/tri athlete who died unexpectedly at a young age.

**PLEDGE OF ALLEGIANCE**

**RECOGNITIONS**

Mayor Kennedy recognized and thanked Margaret Johnston and all of the Adopt a Planter Volunteers for doing a wonderful job over the years in maintaining, installing and providing flowers in the downtown area and throughout the community; helping keep the City beautiful.

Ms. Johnston thanked Dave Vincent, owner of the Cal Color Nursery, donor of the flowers for the past 6.5 years. She thanked Public Works Department staff members Ann Beale, Juan Pacheco, and Fred Gomez for their supportive efforts. She further thanked the 50 Adopt a Planter Volunteers for their dedication, tireless efforts and their time to make the downtown beautiful all year round.

Council/Agency Member Sellers entered and took his seat on the Dais.

**PROCLAMATIONS**

Mayor Kennedy presented Police Chief Cumming with a Proclamation declaring May 15 – May 21, 2006 as *National Police Week* in honor of law enforcement officers, past and present, who have rendered dedicated service to the community; and further proclaiming May 15, 2006 as *Peace Officers' Memorial Day* in honor of those law enforcement officers who have made the ultimate sacrifice in service to their community or have become disabled in performance of their duty.

Mayor Kennedy presented a Certificate of Recognition to Jamie Pereira for being selected *Dispatcher of the Year* for her compassion, understanding and professionalism during the performance of her duties the past year.

## **PRESENTATIONS**

Pi Silverstein, volunteer with the Registrar of Voters Office, informed the Council and members of the public that he has brought an Electronic Voting Machine to the Council meeting to demonstrate its use during the Council break. He thanked City staff for its response to a water problem in the downtown area associated with the Adopt a Planter program. He indicated that he is the Chair of the South County United Way Council. He stated the City did a nice job with the United Way campaign this year and that it is his hope the City will do the same next year.

## **CITY COUNCIL REPORT**

Council Member Sellers said that over a hundred years ago, our Nation went from writing individual ballots to using machines today. There was a lot of consternation and concern about the integrity of the electronic voting process. He indicated that efforts of individuals such as Mr. Silverstein will be fundamental to everyone becoming comfortable with new technology. He applauded Mr. Silverstein's effort and appreciates his willing to demonstrate the electronic voting machine for the community. He stated that he has been assisting with upcoming June 2006 ballot measures. Measure A is a county-wide measure that all Council members individually endorse along with the Chamber of Commerce and other groups. He encouraged everyone to vote for Measure A as it is an important long term source of resources for the community. He also supports Measure E as it will provide resources to the Morgan Hill Unified School District in the education of our children. He requested citizens join him and other Council members in support of Measure E.

Council Member Sellers announced that the Council wrapped up the Community Conversations on April 29. He noted that there has been some concern expressed about the fact that perhaps the Council did not reach out to as many citizens as possible. He felt that any time you can get over 300 individuals in a community of this size to spend 2½ hours telling the Council what they think about the City of Morgan Hill, learning about the City's budget, and then commenting on what they have learned is a phenomenal accomplishment. Everyone needs to be extremely proud the City had this kind of turnout. He felt that staff undertook creativity to come up with a solution(s) and saw the process through. He thanked everyone for participating in the Community Conversations. He said that 300 participants may not seem like a lot of people in a community of well over 30,000 residents. However, it is a sizeable valid sample. He indicated that the Council was strongly discouraged from participating in the Community Conversations early on so as not to influence the process. However, in attending the last Community Conversation, the Capstone Event, it was evident that a lot of work had been undertaken. He found the Capstone Event extremely valuable and thanked everyone involved. He reiterated that it was a very important part of the Council's overall planning and that it was his belief that the impacts will be felt for years to come.

Council Member Sellers indicated that he did not have the opportunity to comment on the article that appeared last week about the Mayor's decision to make this his last term. He stated that he was approached by an individual who heard a story that the Mayor's decision not to seek another term was impacted, somehow, to having a building named after him. If Mayor Kennedy was only interested in recognition, he would have left public office years ago. He could not think of anyone who comes close to Mayor Kennedy's accomplishments and his dedication during his tenure. He said that he would do everything possible to make sure the Mayor's last six months are a fitting send off for all that he has done for everyone.

Council Member Tate indicated that the Financial Policy Committee met this afternoon, and that he might want to make a few comments after the City Manager makes his report.

### **CITY MANAGER REPORT**

City Manager Tewes reported the following:

- The Council has called the meeting this evening with an amended agenda for item 22. The amended agenda allows the Council to discuss and give direction on this particular item.
- He thanked the Council and the community for the recognition of the work performed by City employees. He noted that the Police Department, the Dispatch Center, and the Fire Volunteers have thanked the City for the work and operations of the Public Works Department.
- He indicated that last Friday, the Council spent the entire day working through a series of strategic financial issues relating to the City's Budget Strategy. He stated that regrettably, one of the local newspapers is going through a transition in their reporting. He noted that the news reporter was not able to spend much time with the City that day. Out of necessity, the news article published was very incomplete, and in some places, off target from what the Council actually discussed. He presented some highlights of what happened on Friday. He stated that staff presented the Council with the results of the Community Conversations and the results of the statistically significant poll of likely voters in Morgan Hill. Staff reviewed the expenditure and revenue projections through the next five years and how these projections have changed over the years. Staff and the Council talked about significant strategic issues such as the under funding of the street and park maintenance and the need for additional fire protection. He stated that the Council will hold a public hearing on June 7 to consider the budget recommendations for next fiscal year. However, the Council devoted most of its time to the long range budget strategy. He identified six major headlines: 1) As measured by the Community Conversation responses and the statistically significant sample of likely voters, it is clear that residents like living in Morgan Hill and are generally satisfied with the current level of city services. 2) The Council determined not to place a tax measure on the November 2006 ballot and not to reduce services from the current levels at this time. 3) The Council recognized the City would continue to use some of the substantial reserves to fund general fund services, but that the deficit which continues would be at a lower rate than had been previously forecasted. This is primarily attributed to a stronger sales and property tax growth. 4) The Council recognized that merely

keeping staffing levels constant was not the same as keeping service levels constant as the community continues to grow. This is especially true in the areas of the priorities of police and fire services where keeping staffing levels constant may not be adequate to keep up with the service levels required of a growing community. 5) The Council/Redevelopment Agency will pursue an extension of the Redevelopment Agency's tax increment authority, but with a smaller project area. By shrinking the project area, somewhat, it would add approximately \$800,000 annually to the general fund and somewhat more than this amount to the County's general fund. In conjunction with the opportunity for debt financing, the Council learned that there is an opportunity to perform a significant amount of investment in meeting redevelopment needs and provide for additional revenues to the general fund. 6) The Council determined that it wants staff to evaluate ways to continue the civic engagement process. Staff to consider how the City can get citizens to continue talking about the community's desired level of services, and how to pay for them. The Council directed staff to return with some ideas on how to do so for the June 7 public hearing.

City Manager Tewes felt it important to report to the community the full extent of the conversations held by the Council as they were significant; noting that the news reporter was not able to stay for the entire meeting and that the news account did not include the discussions of the day.

Council Member Tate felt there must be an inverse correlation between public attendance at the Community Conversation sessions and the amount of accomplishments, good feelings and forward progress made at these sessions. He noted that the only member of the public in attendance last Friday was Dan Ehrler with the Chamber of Commerce. He indicated that there was a news reporter in attendance briefly in the morning. However, nothing was reported in terms of the discussions that took place at the workshop session. He noted the City Manager presented highlights of the workshop session and the public now knows what was discussed in this session. He said the Council and staff went away from the workshop feeling that everyone was heading in the same direction based on the polling and Community Conversation experience. It was his belief that all Council members believe the Community Conversation was extremely affective and contributive to the direction the City will head. He said the Council will be taking the Community Conversation to the next level. The City will find out what level of service the community desires and how these services will be paid for. He noted the Council will not be pursuing a tax at this time, but will try to figure out the best way to accomplish/provide services desired by the community; keeping the community involved. He indicated that the Financial Policy Committee has taken on this task, and is anxious to move forward.

### **CITY ATTORNEY REPORT**

City Attorney Kern stated that she did not have a report to present this evening.

### **OTHER REPORTS**

## **PUBLIC COMMENT**

Mayor/Chairman Kennedy opened the floor to public comments for items not appearing on this evening's agenda.

Ted Fox, President of the Chamber of Commerce, introduced a new physician that has been recruited by St. Louise Regional Hospital into the Morgan Hill community at the De Paul Health Center, Dr. Devand Shaw, a board certified internal physician. He indicated that the De Paul Health Center will be offering extended hours beginning June 1; staying open until 7:00 p.m. in the evenings and Saturdays hours. He announced that Dr. Shaw is currently in the process of negotiating with the Community Health Foundation for the purchase of equipment to help institute urgent care services. He stated that it will be extremely important for members of the community to support local physicians and local health care services in order to have these services when needed.

Dr. Shaw said that it has been approximately two-years since his family moved to Morgan Hill. He noted that his wife was the first physician to sign a lease at the De Paul Health Center. He indicated that the De Paul Health Center is at over 80% occupancy. As his wife's practice continues to pick up, it was realized that there was a need for another physician in the community; thus, his decision to join his wife in her practice. He stated that they intend to increase their clinic hours on June 1. Weekday hours are to be 8 a.m. – 7 p.m. and there will be weekend hours as well. Also, to be provided is urgent care services as well as walk in patient. He clarified that the clinic will provide complete primary care services along with providing urgent care services. He welcomed new patients who want to take advantage of their services.

Mayor Kennedy said that one of the final actions taken at the Capstone Event was to continue the conversation. He stated that the piece of information missing is the level of community services the community expects. The Council heard loud and clear that the community expects more services and that the City continues with the services in place. The community does not want current services cut. As the City grows, he felt it critical the City not simply maintain the status quo in terms of the number of city employees in place; but the City grows the staffing needed to support the level of services desired by the community. He noted that one of the comments made at the Capstone Event for the Community Conversation was to establish a vision for the services desired by the community. He felt that this was the important message he received and that the Council heard as well. He indicated that the period of time necessary to identify the level of services desired by the community will be important and that the Council/City needs to hear from the community.

No further comments were offered.

## ***City Council Action***

### **CONSENT CALENDAR:**

Mayor Pro Tempore Grzan requested that item 7 be removed from the Consent Calendar.

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**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) **Approved** Consent Calendar Items 1-6 and 8-14, as follows:*

1.     **APRIL 2006 FINANCE & INVESTMENT REPORT - CITY**

**Action:** **Accepted** and **Filed** Report

2.     **CENTENNIAL RECREATION CENTER (CRC) PROJECT – APRIL CONSTRUCTION PROGRESS REPORT**

**Action:** **Information** Only.

3.     **CENTENNIAL INDOOR RECREATION CENTER (CRC) APPROVAL OF EXTRA DESIGN COSTS**

**Action:** **Approved** Staff Recommendations to Pay for Extra Design Costs Thru February 28, 2006 for Noll & Tam Architects in the Amount of \$72,064.

4.     **APPROVAL OF PG&E FEES FOR THE NEW LIBRARY**

**Action:** **Approved** Payment of Fees to PG&E for the New Library in the Amount of \$56,038.85.

5.     **REJECTION OF BID FOR LABORATORY SERVICES FOR POTABLE WATER SAMPLING AND ANALYSIS**

**Action:** 1) **Rejected** the Bid Received on May 4, 2006 for Laboratory Services for Potable Water Sampling and Analysis; and 2) **Authorized** Staff to Re-Bid.

6.     **AMENDMENT TO ANNUAL CONTRACT WITH REPUBLIC ELECTRIC FOR TRAFFIC SIGNAL MAINTENANCE**

**Action:** **Approved** Amendment No. 2 to Contract with Republic Electric to Increase the Maximum Compensation from \$145,000 to \$205,000.

8.     **APPROVAL OF JOINT USE AGREEMENT FOR PORTIONS OF THE WEST LITTLE LLAGAS CREEK BIKE TRAIL SYSTEM**

**Action:** **Authorized** City Manager to Sign, on Behalf of the City, a Joint Use Agreement with Santa Clara Valley Water District for Portions of the West Little Llagas Creek Bike Trail System; Subject to Review and Approval by the City Attorney.

9.     **ACCEPTANCE OF SUBDIVISION IMPROVEMENTS FOR TRACT 9562, CENTRAL PARK PHASE VII**

**Action:** 1) **Adopted** Resolution No. 6004, Accepting the Subdivision Improvements Included in Tract 9562, Commonly Known as Central Park Phase VII; and 2) **Directed** the City Clerk to File a Notice of Completion with the County Recorder's Office.

10.    **AGREEMENT WITH "CIRCA: HISTORIC PROPERTY DEVELOPMENT" TO UPDATE THE CITY'S HISTORIC RESOURCES INVENTORY AND PRESERVATION ORDINANCE**

**Action:** **Approved** and **Authorized** Execution of the Agreement.

**11. HOUSING ASSISTANCE PROGRAM**

**Action:** 1) **Authorized** a Loan of up to \$50,000 to the Recreation and Community Services Director to Assist in Acquiring a Residence in Morgan Hill; and 2) **Appropriated** \$50,000 from the Employee Assistance Fund.

**12. PROPOSITION 81, THE 2006 CALIFORNIA STATE LIBRARY CONSTRUCTION BOND**

**Action:** 1) **Adopted** Resolution No. 6005, Endorsing and Supporting Proposition 81; and 2) **Directed** the City Clerk to Forward a Copy of the Council Resolution to the “YES for Libraries” Headquarters.

**13. ADOPT ORDINANCE NO. 1779, NEW SERIES**

**Action:** **Waived** the Reading, and **Adopted** Ordinance No. 1779, New Series, and **Declared** That Said Title, Which Appears on the Public Agenda, Shall be Determined to Have Been Read by Title and Further Reading Waived; Title as Follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL AMENDING THE ZONING DESIGNATION FROM R-2 3,500 (MEDIUM DENSITY RESIDENTIAL) TO CG (GENERAL COMMERCIAL) ON A 2.66-ACRE PARCEL (APN 726-43-006) ADJACENT TO, AND NORTHERLY OF, THE LAUREL ROAD/WALNUT GROVE DRIVE INTERSECTION. (ZONING AMENDMENT APPLICATION NO. ZA-06-02: LAUREL – CITY OF MORGAN HILL).**

**14. JOINT SPECIAL CITY COUNCIL AND SPECIAL PLANNING COMMISSION MEETING MINUTES OF APRIL 29, 2006**

**Action:** **Approved** as Submitted.

**7. AWARD OF MORGAN HILL WILDLIFE BIKE TRAIL PROJECT**

Mayor Pro Tempore Grzan requested a staff report be presented.

Director of Public Works Ashcraft indicated that it is being recommended that the Council award a contract for the construction of the Morgan Hill Wildlife Bike Trail in the amount of \$238,000 to Perma Green Hydroseeding based upon their low bid. He informed the Council that staff opened bids on May 9 for this project. He stated that six competitive bids were received. Staff has checked the low bidder's background and found excellent references. He noted that this project is funded primarily from grant funds from the Santa Clara Valley Water District and the Valley Transportation Authority Measure B expenditure program. He said that the project entails the construction of a wildlife trail, an asphalt path, and certain water efficient plantings and irrigation systems; primarily around the new Centennial Recreation Center. The trail will extend from Edmundson Avenue to Edes Court; mainly around the frontage of the Centennial Recreation Center. He said that it is staff's hope to complete the project by the time of the grand opening of the community recreation center.

Mayor Pro Tempore Grzan noted that this project covers a portion of Little Llagas Creek. He inquired

as to the potential of extending the trail further north.

Mr. Ashcraft indicated that the northerly extension is awaiting the PL566 project. He said that neither the City nor the Water District own right of way or very little right of way north of this project; noting that most of the land adjacent to Little Llagas Creek is privately owned. This land will need to be acquired to give the City the ability to build a flood control project as well as a trail; once the right of way is acquired for the PL566 project. He clarified that the trail meanders and is to be used by cyclist, walkers, and joggers. He stated that this would be an extension of the trail from the Paradise area, and that it is staff's hope that it will be extensively used to the downtown area once the PL566 project is extended.

Mayor Pro Tempore Grzan said that the area adjacent to the Little Llagas Creek is ideal for a linear park, and that any efforts to continue along the Little Llagas Creek to adjoin neighborhoods from the downtown to the new indoor recreation center is something the City needs to look at in the future. He felt this to be a good start, but far from what he sees to be a larger project that needs to be considered in the future.

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0): 1) **Awarded** Contract to Perma-Green Hydroseeding, Inc. for the Construction of the Morgan Hill Wildlife Bike Trail Project, in the Amount of \$238,839; and 2) **Authorized** Expenditure of Construction Contingency Funds, Not to Exceed \$23,884.*

## ***Redevelopment Agency Action***

### **CONSENT CALENDAR:**

**Action:** *On a motion by Agency Member Tate and seconded by Agency Member Sellers, the Redevelopment Agency Board unanimously (5-0) **Approved** Consent Calendar Item 15, as follows:*

#### **15. APRIL 2006 FINANCE & INVESTMENT REPORT – RDA**

**Action:** ***Accepted** and **Filed** Report*

## ***City Council and Redevelopment Agency Action***

### **CONSENT CALENDAR:**

**Action:** *On a motion by Council/Agency Member Tate and seconded by Council/Agency Member Sellers, the City Council/Agency Board unanimously (5-0) **Approved** Consent Calendar Items 16 and 17, as follows:*



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16. **JOINT REGULAR REDEVELOPMENT AGENCY AND REGULAR CITY COUNCIL MEETING MINUTES FOR APRIL 26, 2006**  
*Action: Approved as Submitted.*
17. **JOINT SPECIAL AND REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES FOR MAY 3, 2006**  
*Action: Approved as Submitted.*

### *City Council Action*

#### **PUBLIC HEARINGS:**

18. **ISLAND ANNEXATION PROJECT: ADOPTION OF PARCEL PRE-ZONINGS, AND APPROVAL OF ANNEXATIONS – ISLANDS 1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, AND 17 Ordinance Nos. 1767 through 1775, New Series and Resolution Nos. 6006 through 6020**

Director of Community Development Molloy Previsich presented the staff report on the second hearing of the 15 island annexations. She indicated that public hearings were held on April 12 for every island annexation/prezoning, and that this is the second and final public hearing required in the island annexation process. She addressed the items the Council requested staff investigate as follows: Island #2 – There was a question regarding the parcel owned by the Hernandez family. The Hernandez family expressed concern that they no longer have driveway access to Del Monte and Sanchez Drive. She stated that a lot line adjustment occurred and that the driveway that exists provides access to a parcel. When the adjacent property owners acquired the extra sliver of land, they fenced the area. Unfortunately, this continues to be a private matter between the two property owners whether there is an established prescriptive easement or rights they can pursue to try and be able to use their neighbor's driveway and access Del Monte and Sanchez Drive rather than Hale Avenue. Mayor Kennedy thought there may be a drainage issue along Hale Avenue in this area. She reported that staff took a look at this area and found there had been a drainage issue on Hale Avenue, further south, but that this area is elevated. Public Works staff has indicated there is not a drainage issue in this area. Regarding Island #3, a property owner requested the City pave Sabini Court after annexation. She reported that this is a private street and will not be a public street after annexation. Therefore, street maintenance will continue to be a private responsibility. Staff has received refined information about the assessed value of the parcels to be annexed. The total assessed value of the 15 islands is under \$36 million and does not include the Holiday Lake Estates area. The net amount of property tax revenue to be received by the City is approximately \$29,000 annually. She recommended the Council move forward with each island annexation as listed; conducting a public hearing for each island.

Council Member Tate stated that he would recuse himself from participating in the discussion/action of Island Annexation #17.

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**ISLAND #1: ANX-05-01/ ZA-05-17: City Of Morgan Hill - Tilton & Hale.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Carr, the City Council **Waived** further reading of Ordinance No. 1767, New Series, and **Declared** that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 1.91 ACRES, FROM COUNTY OF SANTA CLARA EXCLUSIVE AGRICULTURE ZONING A-20 TO SINGLE FAMILY R-1-12,000 FOR APNS 764-09-002, 003 & 004 AND PRE-ZONING .01 ACRES FROM COUNTY OF SANTA CLARA EXCLUSIVE AGRICULTURE ZONING A-20 TO PF, PUBLIC FACILITIES FOR APN 764-09-015 FOR APPLICATION ZA-05-17: CITY OF MORGAN HILL-TILTON & HALE;** and **Adopted** Ordinance No. 1767, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.*

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Carr, the City Council unanimously (5-0) **Adopted** Resolution No. 6006, approving annexation.*

**ISLAND #2: ANX-05-02/ ZA-05-18: City of Morgan Hill -East of Hale.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council **Waived** further reading of Ordinance No. 1768, New Series, and **Declared** that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 1.85 ACRES, FROM COUNTY OF SANTA CLARA EXCLUSIVE AGRICULTURE ZONING A-20 AND A-SR TO SINGLE FAMILY R-1-7,000 FOR APNS 764-23-017 & 764-24-001, 003, 004 & 005 FOR APPLICATION ZA-05-18: CITY OF MORGAN HILL-EAST OF HALE;** and **Adopted** Ordinance No. 1768, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.*

**Action:**        *On a motion by Council Member Sellers and seconded by Council Member Tate, the City Council unanimously (5-0) **Adopted** Resolution No. 6007, approving annexation.*

**ISLAND #3: ANX-05-03/ ZA-05-19: City of Morgan Hill - Teresa & Sabini.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council **Waived** further reading of Ordinance No. 1769, New Series, and **Declared** that*

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*the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 17.62 ACRES, FROM COUNTY HILLSIDE HS TO RESIDENTIAL ESTATE RE 40,000 FOR APNS 773-32-010, 011, 012, 013 & 014 FOR APPLICATION ZA-05-19: CITY OF MORGAN HILL-TERESA & SABINI**; and Adopted Ordinance No. 1769, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.*

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6008, approving annexation.*

**ISLAND #5: ANX-05-05/ ZA-05-21: City of Morgan Hill - Cochrane & Mission View.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council Waived further reading of Ordinance No. 1770, New Series, and Declared that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 36.60 ACRES, FROM COUNTY GENERAL USE A1-2.5 TO SINGLE FAMILY R-1 9,000 FOR APNS 728-36-007 & 008, PRE-ZONING 18.30 ACRES FROM COUNTY GENERAL USE A1-2.5 TO SINGLE FAMILY R-1 7,000 FOR APN 728-36-006 AND REZONING 1.65 ACRES FROM SINGLE FAMILY R-1 9,000 TO SINGLE FAMILY R-1 7,000 FOR APN 728-36-011 AS CONTAINED IN APPLICATION ZA-05-21: CITY OF MORGAN HILL-COCHRANE AND MISSION VIEW**; and Adopted Ordinance No. 1770, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.*

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6009, approving annexation.*

**ISLAND #6: ANX-05-06/ ZA-05-22: City of Morgan Hill - Cochrane & Peet.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council Waived further reading of Ordinance No. 1771, New Series and Declared that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 18.5 ACRES, FROM COUNTY EXCLUSIVE AGRICULTURE A-20 TO PUBLIC FACILITIES FOR APNS 728-34-001 & 008, PRE-ZONING A 34.7 ACRE PORTION OF APN 728-34-006 FROM COUNTY EXCLUSIVE AGRICULTURE A-20 TO SINGLE FAMILY R-1-12,000***

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**RESIDENTIAL PLANNED DEVELOPMENT, PRE-ZONING A 45.03 ACRE PORTION OF APN 728-34-006 FROM COUNTY EXCLUSIVE AGRICULTURE A-20 TO SINGLE FAMILY R-1-20,000 RESIDENTIAL PLANNED DEVELOPMENT AND PRE-ZONING THE REMAINING 41.5 ACRES FROM COUNTY EXCLUSIVE AGRICULTURE A-20, TO RESIDENTIAL ESTATE RE 40,000 RESIDENTIAL PLANNED DEVELOPMENT FOR APPLICATION ZA-05-22: CITY OF MORGAN HILL-COCHRANE AND PEET; and Adopted Ordinance No. 1771, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.**

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6010, approving annexation.*

**ISLAND #7: ANX-05-07: City of Morgan Hill - Diana & Hill (El Dorado III).**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6011, approving annexation.*

**ISLAND #8: ANX-05-08/ ZA-05-32: City of Morgan Hill - US Hwy 101 & Condit.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council Waived further reading of Ordinance No. 1772, New Series, and Declared that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 6.77ACRES, FROM COUNTY EXCLUSIVE AGRICULTURE A-20 TO PUBLIC FACILITIES FOR APN 728-17-008, AND RE-ZONING A .06 ACRE PARCEL FROM PLANNED UNIT DEVELOPMENT PUD, TO PUBLIC FACILITIES PF, FOR APN 728-34-006 FOR APPLICATION ZA-05-32: CITY OF MORGAN HILL-U.S. HIGHWAY 101 AND CONDIT; and Adopted Ordinance No. 1772, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.***

**Action:** *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6012, approving annexation.*

**ISLAND #9: ANX-05-09: City of Morgan Hill - E. Dunne-Wong.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

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**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) **Adopted** Resolution No. 6013, approving annexation.*

**ISLAND #10: ANX-05-10: City of Morgan Hill – Murphy.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) **Adopted** Resolution No. 6014, approving annexation.*

**ISLAND #11: ANX-05-11/ ZA-05-33: City of Morgan Hill - Condit & Murphy.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council **Waived** further reading of Ordinance No. 1773, New Series, **Declared** that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 18.85 ACRES, FROM COUNTY EXCLUSIVE AGRICULTURE A-20 TO GENERAL COMMERCIAL CG, FOR APN 817-12-006 & APN 817-12-009 FOR APPLICATION ZA 05-33: CITY OF MORGAN HILL-CONDIT & MURPHY; and **Adopted** Ordinance No. 1773, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.***

**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) **Adopted** Resolution No. 6015, approving annexation.*

**ISLAND #12: ANX-05-12: City of Morgan Hill – Dewitt.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) **Adopted** Resolution No. 6016, approving annexation.*

**ISLAND #13: ANX-05-13/ ZA-05-23: City of Morgan Hill - Tennant & Railroad.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**      *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council **Waived** further reading of Ordinance No. 1774, New Series, and **Declared** that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL PRE-ZONING 1.56 ACRES, FROM COUNTY AGRICULTURAL A-20A TO LIGHT INDUSTRIAL ML, AND 1.17 ACRES TO PUBLIC FACILITIES PF,***

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**FOR APN 817-06-053 & 817-06-054 FOR APPLICATION ZA-05-23: CITY OF MORGAN HILL-TENNANT AND RAILROAD; and Adopted Ordinance No. 1774, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers, Tate; NOES: None; ABSTAIN: None; ABSENT: None.**

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6017, approving annexation.*

**ISLAND #14: ANX-05-14: City of Morgan Hill – Monterey.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6018, approving annexation.*

**ISLAND #16: ANX-05-16: City of Morgan Hill - Diana & Jasmine.**

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Tate and seconded by Council Member Sellers, the City Council unanimously (5-0) Adopted Resolution No. 6019, approving annexation.*

**ISLAND #17: ANX-05-17/ ZA-05-35: City of Morgan Hill - W. Edmundson & Piazza.**

Council Member Tate recused himself from Island #17 and excused himself from the Council Chambers.

Mayor Kennedy opened the public hearing. No comments being offered, the public hearing was closed.

**Action:**        *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council Waived further reading of Ordinance No. 1775, New Series, and Declared that the Title which appears on the public agenda shall be determined to have been read; title as follows: **AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A ZONING AMENDMENT TO REZONE A SINGLE 2.30 ACRE PARCEL LOCATED ON THE SOUTH SIDE OF WEST EDMUNDSON AVENUE, ACROSS THE STREET FROM COMMUNITY PARK FROM MULTI-FAMILY LOW R-2 3,500 RESIDENTIAL PLANNED DEVELOPMENT TO MULTI-FAMILY MEDIUM R-2 3,500. (ZA-05-35: W. Edmundson-Piazza); and Adopted Ordinance No. 1775, New Series, by the following roll call vote: AYES: Carr, Grzan, Kennedy, Sellers; NOES: None; ABSTAIN: None; ABSENT: Tate.***

**Action:**        *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council, on a 4-0 vote with Council Member Tate absent, Adopted Resolution No. 6020, approving annexation.*

Council Member Tate took his seat on the Dais.

## ***Redevelopment Agency Action***

### **OTHER BUSINESS:**

#### **19. LEADERSHIP MORGAN HILL – 2006 CLASS PROJECT**

Special Assistant to the City Manager Spier informed the Council that the Leadership Morgan Hill Class of 2006 would be making a presentation to the Council regarding a public art project the Class would like the Council to consider.

Maureen Drwiany, Leadership Morgan Hill 2006 Class member, informed the Council that there were other Leadership 2006 class members in attendance: Donna Foster, Dan Ehrler, and Gary Winzeler. She informed the Council that the Leadership Morgan Hill Class of 2006 has decided to raise funds to purchase a piece of outdoor public art for the new library. As the class began to look at the different possibilities, the class researched the possibility of a custom piece of art work; talking to two local artists and one sculptor with a local connection. However, the class quickly determined that a custom piece of art would not work within the timeframe they have or their budget. She stated that the class is considering three different items as they move forward: 1) the art piece is to represent and reflect reading, in some way; 2) the size of the statue is to be as close to life size, if not life size, as possible; and 3) reflects age diversity (e.g., an older person reading to a younger person).

Ms. Drwiany addressed the Class' fundraising efforts. She informed the Council that the Class has collected \$1,000 to date. The next fundraiser will be the sale of 200 local Morgan Hill merchant coupon packets. These will be available for purchase at \$20 each; generating \$4,000 toward the project. The class will conduct a flea market on June 24 at the San Martin Country Park that will raise approximately \$2,500. The class will be selling spaces for \$50 as a donation to Leadership Morgan Hill. Other fundraising efforts include "change jars" that will raise approximately \$800; pursuing corporate donations, and anticipate matching funds from Information Inc. of \$2,500. These fundraising efforts amount to approximately \$9,000 plus the \$1,000 already raised for a total of \$10,800 in revenue for the class project. She informed the Council that the piece of art work presented costs \$6,800 and includes shipping and handling. It will cost approximately \$1,000 to install the art piece. Therefore, the Class is well within reach of the class project if their fundraising efforts go as planned. If not, the Class has other choices it can make for a less costly piece of bronze sculpture. She informed the Council that any amount collected above what is needed to purchase and install the art piece will be donated to the Friends of the Library. She identified the proposed location for the piece of art/bronze sculpture. It is the Class' hope to be able to present the art sculpture to the City and the Library by September 1. She noted that the new library will still be under construction. Therefore, they are looking at the feasibility of having the art work displayed at another civic building not under construction. At the point the art work is installed at the new library, the art work will become the responsibility of the City for maintenance and liability. She informed the Council that the Class presented the idea to the Leadership Morgan Hill Board and the Friends of the Library where the project was warmly received. Representatives of the

Class met with City staff and made a presentation at the Library, Culture & Arts Commission at their last meeting. She requested Council acceptance of the project and the art work based upon the examples provided.

Mayor Kennedy opened the floor to public comment. No comments were offered.

**Action:**        *On a motion by Agency Member Sellers and seconded by Agency Member Carr, the Agency Board unanimously (5-0) **Accepted** the public art piece for the new Library and site location.*

## ***City Council and Redevelopment Agency Action***

### **OTHER BUSINESS:**

#### **20.     PROPERTY BASED IMPROVEMENT DISTRICT (PBID)**

City Manager/Executive Director Tewes informed the Council that staff is recommending this item return to the Council/Redevelopment Agency Board at its June 7 meeting. He said that this is an issue relating to the establishment of a special assessment district within the downtown. He informed the Council that the proponents of this assessment district have made great progress in obtaining support from potential owners and businesses that would pay the assessment. In light of some recent changes in the law and court cases, staff would like the opportunity to make sure the documentation for the assessment district is appropriate. He informed the Council that staff has consulted with the proponents of the District and that they concur with staff's recommendation to return to the Council/Agency Board at its next meeting.

**Action:**        *On a motion by Council/Agency Member Carr and seconded by Council/Agency Member Sellers, the City Council/Agency Board unanimously (5-0) **Continued** this item to June 7, 2006.*

## ***City Council Action***

### **OTHER BUSINESS:**

#### **21.     UNITED WAY 2-1-1 PROGRAM FUNDING REQUEST**

Special Assistant to the City Manager Spier informed the Council that on April 26, staff was before the Council regarding United Way's proposal for their 2-1-1 Call Center. At that time, the Council requested United Way return with a presentation describing the program. She informed the Council that Mark Walker, President and CEO of United Way would be providing the Council with a presentation on the 2-1-1 Call Center.

Mayor Kennedy opened the floor to public comment.



Mark Walker, President/CEO for United Way, presented a power point presentation on the 2-1-1 Call Center, a county-wide system designed and required by the Public Utilities Commission (Commission) to be put forth on a county-wide basis. He informed the Council that the Commission allows for one entity to file and be approved as the legally responsible entity to make this service available. He stated that United Way Silicon Valley is willing to take on this role for Santa Clara County. He indicated that they have been working on the information and referral project for approximately 4-years. He addressed the benefits of 2-1-1: 1) it is easy for individuals to get help for human service needs or to volunteer to provide assistance. 2) It is excellent for disaster assistance. 3) It off loads a lot of non emergency calls from the 911 system. 4) It is an incredible data source on the issues facing communities based on the call volume. 5) 2-1-1 is a telephone number as well as a website. He said that 2-1-1 is a national initiative and that United Way of America, along with the Alliance of Information and Referral System, have been coordinating efforts to integrate this call system internationally. In California, United Way has been playing a strong leadership role to get 2-1-1 rolled out on a state-wide basis. It is United Way's goal to have 18 counties, and 80% of the residents in the State covered by the end of 2007 with a longer goal to make sure that every resident in California have access to 2-1-1. He informed the Council that is United Way's goal to bring 2-1-1 on line in Santa Clara County by March 11, 2007.

Mr. Walker addressed the quality standards associated with service delivery and the features surrounding the 2-1-1 Call Center. He said that United Way receives approximately 600-700 calls for help per month for rental housing/utility assistance. He said that questions on immigration are not heavy at this time, but will be a part of the call center referral. He addressed the cost assumptions that are based upon approximately 5% of the population in the County calling 2-1-1 within a year. He said that the national average is between 6%-8% of a population base. He informed the Council that the average calls in California for information and referral service providers is at approximately 3%. This is attributed to a moderate level of outreach and advertising. As United Way rolls out 2-1-1, they will increase advertisement and will reach 5% of the total population base in the County. He stated that on a national basis, 30%-50% of the 911 calls are non emergency type calls. Having another type of service would help relieve some of the resources of 911 centers. Of the calls going to 2-1-1 centers, 7% come directly from 911 centers. Therefore, 2-1-1 is helping to off load some 911 calls.

Mr. Walker stated that United Way decided to proceed with a regional model and not with a county by county model as the cost would be twice as much. United Way proceeded with an RFP process; receiving two proposals. One proposal came in from San Francisco and the other came from Ventura County, the first 2-1-1 call center in California. He indicated that Ventura County's proposal was at ½ the price and was extremely good on the quality side. United Way chose to partner with United Way in Ventura County for a couple of years. He clarified that it is the goal to have a call center in the Bay area where all counties in the bay area can consolidate and take advantage of the marketing. He clarified that United Way Silicon Valley will conduct a local data base and local marketing. They will keep a few of their multi lingual call center specialists in Santa Clara County offices where these calls will be handled locally. United Way will have an advisory committee comprised of members who have been on the steering committee. Should the Council decide to have a representative on the advisory committee, he requested that he be notified. He said that an individual in Santa Clara County would not likely have a local person answering the initial call, but that the response will come back to a local agency to provide

assistance to the individual. He stated that it does not make sense to have a call center in every county in the State. He said that there may be one regional call center somewhere in the bay area at some point in time.

Mr. Walker stated that United Way is looking at a public-private partnership. They are approaching the City of San Jose, Santa Clara County, as well as all other cities in the County. United Way is also contacting a number of for profit private entities and corporations. He informed the Council that United Way has one major donor contributing at the \$100,000 level. He said that United Way Silicon Valley and several other non profits are also exploring funding. He said that United Way's board contributed \$150,000. He stated that United Way Silicon Valley is trying to get a good mix of participants to assist in making this service available for all county residents.

Mr. Walker addressed the milestones associated with this project. It is felt that an application can be filed with the Public Utilities Commission within the next month. It takes six months for the Commission to approve the application. It is his hope to have formal approval by the end of this year. He said that United Way is hoping to have as much of the operating cost pledged or approved by June 30, 2006; recognizing that there will be more fund development taking place in the next six months or so; leading up to bringing up the 2-1-1 service on line in February 2007. He stated that he is pleased with the cities and the County's responses; given the challenging budget times. He informed the Council that they estimate approximately 40,000 calls during the first full year of operation, but will increase to approximately 100,000. He informed the Council that it usually takes a person approximately 7 phone calls to find the right agency to assist them. The 2-1-1 call center would cut the calls to 2 phone calls. Therefore, 2-1-1 would be saving individual's time and get them connected to social service provider quicker.

Mayor Kennedy opened the floor to public comment. No comments were offered.

Mayor Kennedy noted that Morgan Hill does not have a social service/human services department, and that a fair number of these calls come into the City Clerk's office or to the Mayor's office. For a city of Morgan Hill's size where it has a small staff that is not focused on human/social services, a service such as 2-1-1 would be valuable and helpful. He felt that 2-1-1 would save calls to 911, save City staff time, and would provide a more efficient way of getting a caller to the services needed. He encouraged the Council to support the request for funding.

Council Member Sellers noted the Council held its budget deliberation last week and understood the City's shortfalls. However, he felt the Council could justify this program short term and long term. He said that one of the biggest concerns that any social service provider has is that they are not reaching individuals in need of services. He noted the Council received a presentation on the City's dispatcher of the year this evening and about how hard these individuals work. He said that 2-1-1 would give dispatchers the opportunity to focus on the critical calls that come in and be able to off load the ones that are not as critical. He felt it would be better to refer individuals to social service assistance at the front end versus a call for police service at the other end when it is a critical situation. He acknowledged that it would be difficult for the Council to figure out where it will find the resources to fund 2-1-1, but felt it made sense to fund this program. He noted that the Bay area is considered as a single media market, and

is very difficult to penetrate. He inquired whether thought was given to get all Bay area counties on board to fund 2-1-1.

Mr. Walker said that United Way has been collaborating with San Mateo, Santa Cruz and Monterey counties for a great period of time, recognizing that they need to do something. They learned last year that each county was in a different place in terms of readiness to get engaged. He stated that for some reason, San Mateo has not been a part of San Francisco's help link program. He felt that San Francisco is doing a great job in cultivating leadership in San Mateo County, at this time, but that it would take a little longer for San Mateo County to come on line. He agreed that the value of marketing the message of 2-1-1 availability in the Bay area is critical for all counties to be a part of this program.

Mayor Pro Tempore Grzan inquired whether performance criteria were built into the 2-1-1 Call Center.

Mr. Walker responded that he could not tell the Council what the quantity standards are today, but that standards would be developed. He noted that calls to the 2-1-1 Call Center are not usually life threatening situations; therefore, you have a little more latitude as to how quickly you need to answer calls. However, you want to keep up quality customer service. He indicated that United Way will look at how many calls are abandoned and how many individuals hang up before someone answers their call. They will also look at how many calls within a certain period of time can one individual take and how effective they are, etc.

Mayor Pro Tempore Grzan stated his support of the 2-1-1 Call Center effort. However, he was not sure about the funding level. He said that he would agree to support some sort of funding for this effort.

Council Member Tate agreed that it would be well worth the City's interest to get into and be a part of the 2-1-1 call center. He appreciated the comments of alleviating some of the pressures on the City. However, in terms of level of funding with the City's budget situation, he would support \$3,700 in funding. This level of funding would be the same commitment made by the City of San Jose and Santa Clara County for a one-year period as he did not believe the City should commit itself beyond the one-year period.

**Action:**        *Council Member Tate made a motion, seconded by Council Member Carr, to Approve Funding United Way's 2-1-1 Call Center for \$3,700 for a one-year period.*

Mayor Pro Tempore Grzan encouraged Mr. Walker to return next year to determine the City's financial conditions. Hopefully, the Council will be able to fund at the same or higher level at that time.

Council Member Carr felt it would be important for United Way to look at long term funding and advice the Council as to the long term strategy for funding before the Council makes the long term commitment.

Mayor Kennedy stated that he would support greater funding such as \$5,000, however, he would support the motion made with the recommendation that United Way return next year to see if the funding commitment from the City can be increased.

**Vote:**            *The motion carried unanimously (5-0).*

## **22.    2005 ANNUAL CONSUMER CONFIDENCE REPORT REGARDING WATER**

Director of Public Works Ashcraft distributed supplemental information to the Council relating to this item. He reported that the State of California's Department of Health Services Drinking Water Program regulates the drinking water in Morgan Hill as it does for all municipal public water suppliers within the State. He said that one of their guidelines requires the City to produce a written report on the quality of water in the previous year to each of the City's water consumers. What was distributed to the Council this evening is a slight change to what was contained in the Council's packet regarding the 2005 Consumer Confidence Report to be mailed to all residences and businesses by July 1, 2006. The Report informs the community of the water quality for calendar year 2005 and identifies problems associated with exceeding the State's standards. He reported that the City has not had any abnormalities in water quality and that the City's water meets or exceeds State standards. He informed the Council that the Utilities and Environmental Committee reviewed the information this week and that changes were distributed to the Council this evening based upon a recommendation from the Committee. He stated that a couple of sentences were added to the Water Quality Report that address potential negative health affects if substantial amounts of perchlorate were to be ingested.

Mr. Ashcraft informed the Council that one of the important items discussed at the Committee level was late breaking news regarding perchlorate. He said that staff continues to believe that perchlorate emanated from the Olin site while Olin continues to assert that perchlorate is emanating from other sources. The Regional Water Quality Control Board, in their ensuing endeavor to decide who is responsible for the perchlorate contamination, is making certain inquiries. They requested the City's oldest history regarding perchlorate results on the Dunne 2 well as they realized the City tested this well monthly for the past three years to the State held detection to 4 parts per billing (ppb). They requested the City ask its lab to go back and look at these results to see if they can estimate values less than 4 ppb. He informed the Council that City staff asked the lab to review the levels and indicated that the second attachment contains these results. Based upon new lab technology, traces of perchlorate can be estimated to a detection level of 1.3 ppb. He said that this information will be posted on the City's website as a separate indication of perchlorate in terms of an estimation of perchlorate at the Dunne 2 well. Staff has found that the levels of perchlorate have been reducing over the past 3 years, similar to the reduction of the concentration of the major plums going south from the Olin Corporation site.

Mr. Ashcraft informed the Council that the Utilities & Environmental Committee reviewed this information and recommends the City provides as much information to the public regarding what the new results mean. He indicated that staff will include information on the City's website that more fully describes the current status of perchlorate in South County. Staff will include information about the current status of the maximum contaminant level (MCL). He noted that California does not regulate perchlorate, but that there has been a lot of discussion about developing regulations in the past 2-3 years. He said that the State indicates that by the end of 2006, they may have an MCL. Currently, the State has a public health goal and notification level of 6 ppb. Therefore, the perchlorate the City is reporting to the public in this report is much less than this amount at 4 ppb.

Mr. Ashcraft further informed the Council that the Utility & Environmental Committee reviewed the City's past practice that it will take a well off line or treat the well if at any time it is found that there is perchlorate above 4 ppb, less than the current State standard of 6 ppb. The Committee reaffirms this standard, and is not suggesting the Council change the standard at this time. The Committee recommends the City continue to treat water if it is found that perchlorate is at 4 ppb. The Committee clarified, in the case of the Nordstrom well, that there is specific results reported down to 2 ppb for this well that must be reported monthly to the Department Health Services when the City is operating its perchlorate removal system. He said that in summer 2005, the last time the City operated the Nordstrom well, staff conducted testing twice a week in accordance with City regulations. Once water tests at 4 ppb, the Committee and staff recommends the City continue to treat through the next year as a policy. Therefore, it is being recommended that for the summer of 2006, the City continues to treat the Nordstrom well for perchlorate. Sometime prior to this time next year, staff will bring forth to the Council the results of the testing and a decision will be made as to whether the City will run the perchlorate removal system again.

Mayor Kennedy said that he understands that the Regional Water Quality Control Board approved a procedure in the San Martin plume area where residents would be provided bottled water for areas that exceed 6 ppb. If a well does not detect perchlorate in excess of 6 ppb in 2-3 successive tests, then bottled water will no longer be provided.

Mr. Ashcraft clarified that if testing shows less than 6 ppb in 4 quarters, bottled water will no longer be provided.

Mayor Kennedy suggested the City use a similar policy for the Nordstrom well. If the Nordstrom well detects below 4 ppb, the well no longer needs to be treated.

Mayor Pro Tempore Grzan, chair of the Utility and Environmental Committee, indicated that the Committee met and made changes to the initial proposed Water Quality Report to the public. He stated that the changes made identify the hazards of perchlorate in terms of risk. This would be consistent with what the City has been doing with regards to lead, copper and nitrates in the City's water system. He said that the issue of perchlorate is an issue that continues to be of concern to the community as the City is not sure what the State will do. The Committee discussed actions taken by other states such as the state of Massachusetts which adopted a 1 ppb MCL. Also, discussed was what the American Academy of Science did recently in terms of setting a maximum level. However, he felt that in Morgan Hill, perchlorate continues to be a serious issue that remains unresolved. The more information the City can give the community regarding the issue of perchlorate, citizens can in turn, make decisions on what they want to do based on the information provided. He indicated that the Committee agrees to what the Public Works Director has put together as a Water Quality Report, and that it believes it should be distributed to the public.

Mr. Ashcraft clarified that the Committee and staff recommends the Nordstrom Well perchlorate removal be put back on line as it is a budgeted item. Therefore, it will not affect the City's current perchlorate surcharge. However, if results drop below where the readings were last year, staff will not

recommend the City run the removal system next summer. He noted that Nordstrom detected 4 ppb once last year with most test results being at 2-3 ppb with the average being 2½ ppb throughout the year. The 2-3 years prior to last year, the average test was at 3½ ppb. The Committee and staff believe it makes sense to treat Nordstrom well this summer and that by November, he would report back to the Council whether the removal system needs to be up and running in the summer of 2007.

Mayor Kennedy noted that the MCL has not been established by the State. Therefore, the City is taking steps to protect its residents in the drinking water. He stated that the Water Quality Report will be published and that all residents will be able to review information regarding the health affects of all chemicals, including perchlorate. If an MCL level was in place, the City would have to follow State standards. As the MCL does not exist, in abundance of caution, the City will be limiting the amount of perchlorate in the City's water to 4 parts per billion.

City Manager Tewes indicated that there is the opportunity for the Council to provide direction to staff about the distribution of the Consumer Confidence Report per the amended agenda.

Council Member Sellers said that in reading through the report, it notes several other chemicals contained in the City's water, in particular nitrates. He noted that high nitrate levels can interfere with an infant's ability to carry oxygen in the blood stream. Iron and lead are also a concern. He indicated that these items have MCL detect levels of some sort. Given the preponderance of evidence on perchlorate, it has been found that the City's wells are well below the scientific evidence presented. He said that he was having difficulty in looking at the amount of money and effort the City is expending on perchlorate in trying to eliminate it versus some of the other items. He said that it would be easier to move forward with staff's recommended action. However, he felt the action to be disingenuous in that the City is doing something that no one else in California is doing as the City is proceeding in abundance of caution.

Mayor Pro Tempore Grzan said that the difficult thing about perchlorate is that it is inconclusive in what it does. It was only recently that perchlorate was able to be detected to the level being seen. Each week, the City hears about an indicator regarding in the relationship of perchlorate and some health caution to the public. Unlike nitrates and irons that have been studied to great detail, perchlorate is still an unknown in terms of what it can do and how it relates to public health. He felt the action taken should be on the side of caution and in the interest of the public; particularly to those populations that are most affected. He felt the City should provide its residents the information and let them make choices regarding drinking bottled water or drinking from the tap. He noted that the EPA has yet to come out with a definitive maximum contaminant level and the State has yet to come out with a definitive statement about perchlorate. He felt the City should error in the side of caution even though there are costs involved. He said that he could not place a dollar value on the public's health and felt the City needs to invest until such time that it can be determined how perchlorate affects citizens. He said that he would continue to promote the use of City resources to protect the public until the affects of perchlorate have been determined. He noted the City has the ability to determine the level of perchlorate below 4 ppb and that sometime in the future, he would encourage reporting to the public actual readings. He did not believe the term "none detect" means there is not the presence of perchlorate in the water system. Using the term none detect gives a false elusion to the public when, in fact, it is a reporting requirement. He would like the City to add something to the report that states that what is being reported is required

by the State, but that the City has actual numbers to suggest there is a level of perchlorate in the City's water system.

**Action:**        *Mayor Pro Tempore Grzan made a motion, seconded by Mayor Kennedy, to continue the current policy to treat the well or take the well off line.*

Council Member Carr inquired whether the Committee came to the conclusion that the detectible levels of perchlorate are dropping.

Mayor Kennedy said that at the San Martin perchlorate working group meeting, there was a conclusion, on the part of everyone in attendance that the levels of perchlorate are dropping in the entire plume area. He stated that the number of wells that exceeded 4-6 ppb has dropped dramatically

Mr. Ashcraft said that there were 300-400 wells testing over 6 ppb a year ago. Currently, there are less than 30 wells testing over 6 ppb, a substantial drop.

Council Member Carr noted that an issue with the policy in the past is that during hot summer months, more water is used for things such as irrigation. He felt the City runs the risk of not having enough water for adequate fire protection. He inquired whether the Committee addressed how the City can take this into account in light of the fact that the City is seeing a trend of reducing the amount of perchlorate in the City's water.

Mayor Kennedy responded that the Committee did not discuss a demand for water versus capacity, or the affects of the water system based on this action.

Mr. Ashcraft informed the Council that the Condit well can produce water, but that the City has not produced water from this well in the past 3 years. He stated that it is a small well that produces 200 gallons of water per minute. This well has detected up to 5 ppb several times and that it was not cost effective to treat this well for this small volume of water. Therefore, it is staff and the Committee's recommendation that the Nordstrom well go on line with treatment in order to meet fire flow.

Mayor Kennedy opened the floor to public comment. No comments were offered.

**Vote:**        *The motion carried unanimously (5-0).*

## **23.    REVIEW OF COUNTY LAND USE INITIATIVE**

Director of Community Development Molloy Previsich presented the staff report, indicating that an organization called the People for Land and Nature Plan has submitted an initiative to the County for the November Ballot. The initiative would amend the County's general plan and modify certain land use regulations for the hillside, ranch lands and agriculture large scale land use designations. She clarified that the initiative would not affect land use designations in other County land use designations or lands within the City limits. She stated that the supporters of the initiative have requested the Council consider endorsing the initiative. She informed the Council that the organization made a presentation

before the Regional Planning & Transportation Committee. However, the Committee did not take a position regarding the initiative, but instead decided that the entire Council should consider the matter and whether to support it as a Council. She addressed some of the major changes proposed by the initiative. She informed the Council that the proposed standards are generally consistent with the recommendations of the Urban Limit Line and Greenbelt Study. It was a goal of the Study that the City of Morgan Hill work with the County to come up with approaches that would discourage ridgeline development and that homes be sited such that there are no aesthetic impacts when viewed from the valley floor. She stated that the Santa Clara County Planning Department is working on view sheds, hillside and ridgeline development standards, and that this initiative would create the standards by the voters. As such, any future changes would need to be approved by the voters.

Ms. Molloy Previsich indicated that staff recommends the Council consider whether or not the City should adopt a formal position. She said that Council members could take a position as individuals, and not take a formal city position. She informed the Council that the Santa Clara County Board of Supervisors have not taken a position on this initiative, but that it may be possible that they may take a position later this summer. The Council could also defer consideration of this matter until the Board has indicated its preference. A third alternative for the Council to consider is to endorse the initiative at this time; noting that a resolution has been provided should the Council decide to take this action. She said that given this is governmental regulations, staff believes it best to let the County decide what is best for the County. The County can either support the initiative or pursue promulgating its own regulations or changing its own regulations.

Mayor Pro Tempore Grzan noted that it was indicated that recommendation items 1-6, as contained in the report, are generally consistent with the recommendations of the Urban Limit Line, noting that the County was a participant in the Urban Limit Line Committee. He indicated that the County agreed to the items before the Council.

City Manager Tewes stated that representatives from the County planning department participated in the Urban Limit Line Committee and provided advice/guidance throughout the process. However, County planning staff made it clear that they were not representing county government and that they did not participate in any of the actions/votes taken.

Mayor Pro Tempore Grzan noted that the County was interested in the City's thoughts on the unincorporated lands surrounding the City; specifically inquiring as to the uses the City would have exceptions to. During the Urban Limit Line process, there was interchange of information between the City and County staff.

Ms. Molloy Previsich said that County staff was in general support of the principles. It was her understanding that County staff has drafted their own set of proposed changes to regulations in order to address view sheds and ridgeline development. Staff is not sure as to what schedule this process is on, but that it is not consistent with the initiative.

Mayor Pro Tempore Grzan expressed concern with staff's recommendation that the Council not take action on an initiative that affects another governmental agency that has not yet endorsed the initiative.



He noted that unincorporated lands surround Morgan Hill and that he did not understand why the Council would not want to make a recommendation to the County on issues that affect the quality of life.

City Manager Tewes said that the issue before the Council is a specific ordinance adopted by a group of citizens who in return circulated a petition. The ordinance was not prepared in the typical governmental process where public hearings are afforded and there is opportunity for review and comment. Yet, the County has indicated they are reviewing the very principals behind the City's urban limit line planning effort. He noted that the Council is not being asked to adopt a set of principles or guidelines this evening. The Council is being asked by the proponents of the initiative to adopt this specific ordinance. As the ordinance is specific and the governmental process has not been played out, staff does not believe it appropriate to take action at this time, although the Council can take whatever action it wishes.

In response to Council Member Tate's question, Ms. Molloy Previsich said that should the initiative be approved by the voters, there is a question whether the South County Joint Area Plan policies would be affected, noting that these policies have been incorporated into the City's general plan. She stated that the County has incorporated some policies in their general plan. She did not know what affect the initiative would have on the City's ability to retain the policy(ies). Should the initiative pass, the City may need to make its policies consistent with what may go into affect. This could be a future workplan item for City planning staff. Otherwise, she did not believe the initiative would have an impact on future work plans, only on the short term should the Council direct staff to perform an analysis of the County governmental proposal versus what the initiative ordinance proposes.

Council Member Carr noted that the South County Joint Area Plan is something that Morgan Hill, Gilroy and the County makes decisions on today.

Ms. Molloy Previsich said that it was her understanding that the City of Morgan Hill has made a concerted effort to retain these policies even though the City has conducted general plan updates. She stated that these policies are still a part of the City's general plan. She was not sure if Gilroy and the County have the same rigor as Morgan Hill.

Mayor Kennedy opened the floor to public comment.

Michele Beasley, representing Greenbelt Alliance, encouraged the Council to endorse the Santa Clara County Land Conservation Initiative. She said that the initiative would require the County to direct growth where it should occur; within existing cities and towns. It is felt that sprawl development would continue to occur; cutting up the landscape. Allowing sprawl to occur would have terrible implications on traffic congestion, air quality, and the over all quality of life. As far as the South County Joint Planning agreement, she felt this initiative would take things a step further as far as restrictions being placed on the county, but not necessarily on cities. She stated that that the Santa Clara County Board of Supervisors can place additional restrictions on development without needing to go to a vote of the people. It is only when there is a weakening of the restrictions that would necessitate a vote. It was here belief that the initiative would be in Morgan Hill's best interest and would complement the City's urban limit line/greenbelt study. She felt it important to note that the initiative would not prevent the City from

annexing land. She noted that most of the lands have been zoned agricultural, ranch land or hillsides for many years and have been taxed accordingly. The initiative aims to preserve the lands for the uses for which they have been zoned. She said that the decision made today would determine the future of our children.

Chris Bryant, South County Association for Realtors, stated that if this initiative only dealt with increasing the minimum parcel size and view sheds, he would not be in attendance this evening. He felt the initiative goes far beyond this and would redefine permitted uses of ranch lands and hillsides. It would provide very explicit restrictions that remove all flexibility from County officials who are elected to make these decisions. He felt that many parts of the initiative are inconsistent, and introduces terms that will be standards such as “necessary” and “essential” that are not defined in any current standards or planning documents. He felt that the rough interpretations would be tighter terms than currently applied anywhere. The initiative would also extend protection to candidate species and would be a litigation issue that could cause a lot of expense to the County. He felt that the initiative would add barriers to an agricultural processing project. It could also cause impacts to local wineries; noting that many wineries are located in hillside zoning areas. There are restrictions on allowable processing where individuals can only process products grown nearby in similar zoned hillside areas. If new compatible uses arise, there is no flexibility unless taking to a vote of the people to allow those uses. He urged the Council not to endorse the initiative and to oppose the measure.

Margaret Vierra, representing the South County Realtors Association and the Santa Clara County Association of Realtors, opposes the initiative in its entirety as it eliminates the ability to construct secondary dwelling/granny units. She noted that the County currently has restrictive guidelines that they adhere to. If an individual has 1-2.5 acres, you can construct an attached granny unit up to 640 square feet. Having 2.5 acres and above would allow the construction of up to 1,000 square foot secondary dwelling unit. With the aging population, this initiative would eliminate the ability to construct secondary dwelling units and removes the flexibility for all future generations. She felt that this was an unacceptable restriction.

Chuck Dillmann said that no growth is not any better than run away growth as they both have problems. However, the proposed initiative leans toward no growth. He felt that what is missing is an overall plan/vision of what South County should be. Should the density be cut in half, as this initiative does, it would be great except for the individuals residing in the low density areas as they may have to pay a premium price in order to receive minimum services. There would not be enough individuals who would be able to pay for their fair share of these expenses. As an alternative, cities may need to contribute toward essential services. With a vision for what South County should be 20-40 years from now, you can put together whatever changes are needed through zoning, construction regulations, etc. He felt that zoning should be planned logically. He did not believe that handling a complex issue such as this should be taken to the voters. The voters should be allowed to select the people who will make these decisions. He recommended the Council send forward a negative opinion on this item and that it asks the County to participate in a carefully thought out and detailed plan; leading to a final conclusion. He did not believe a zoning designation of agriculture will promote agriculture. Only the economic situation will encourage agriculture.

Shanna Boigon, representing the Santa Clara County Association of Realtors, indicated that Santa Clara County is respected by counties throughout the State of California for what it does. She stated her opposition to the initiative because it bypasses what has been put into place; task forces. Should the initiative be passed by the voters, the voters will lock up lands such that the City will not be able to work with the County or the City of Gilroy to make decisions on what is best for the community. She felt that revisions to the Williamson Act will take care of a lot of issues and concerns associated with the initiative; noting the County recently adopted an ordinance that will address the Williamson Act. She stated that some of the properties in the Williamson Act will turn into open space. She felt it important to continue with the process in place; taking input from volunteer task force members, landowners, environmentalist, other stake holders and planning staff and work together to come up with a plan that everyone can work with. She felt that individuals are elected/appointed to make decisions. She indicated that the County is looking at development on hillsides and ridgeline; inviting individuals to provide input. She felt that this process needs to be continued. She said that the lawsuits that would result from this initiative would be astronomical. She requested that the Council oppose the initiative.

Gary Winzeler informed the Council that he is involved in real estate; both commercial and residential. He did not believe the initiative was a way to change the existing general plan. He felt the initiative was contrived behind closed doors by special interest groups without public hearings, nor input from landowners who will be affected. There has not been any input from County staff. He felt the initiative would be biased toward the special interest group. He stated that he visited five different sites where signatures were being gathered. Potential signers were being told that the initiative would stop thousands of homes from being built on the hillside and eliminate large subdivisions over the hills; keeping them open and beautiful. He requested that he be allowed to explain what the initiative was really about. These individuals indicated that they were not there to listen to the details of the issue, but to gather signatures for the initiative; noting that they were getting paid to gather signatures. Should this initiative be approved by the voters, it can only be changed by a similar process. He agreed that land use plans are needed and that they are in place. He felt that the County is working toward improving the plans with the land owners and through the public hearing process. It was his belief that the initiative takes land away from landowners. He noted the initiative would prohibit granny units, and this is wrong. He informed the Council that Santa Clara County has 27 parks; comprising of 45,000 acres. Further, Santa Clara County has the largest state park in northern California consisting of 87,000 acres. He noted the size of Santa Clara County is 841,600 acres; and that 16% of this is County dedicated public park land. He requested the Council oppose the initiative and that those who have supported the initiative withdraw their endorsements.

Craig Breon informed the Council that he no longer works for the Audubon Society. However, he worked on this initiative and that he was involved in the preparation of the initiative for approximately 3 years. He said that it could be that signature gatherers may have exaggerated the impacts. He clarified that the initiative was shared with County staff and that it was shown to land owners. He said that if the County Board of Supervisors felt a change was needed in the future, they could place their own measure on the ballot to change things. They would not be required to gather citizen signatures to place their measure on the ballot. He clarified that there is nothing that would take a piece of land from a land owner or give lands to the public or any other private entity. He agreed that most initiatives, similar to this one, result in law suits, but all passed legal standards for takings. He noted that this initiative and

most initiatives include language that if takings were to occur, this would invalidate an initiative. He said that the initiative has been prepared, over time, with input from current and past County staff, the County Board of Supervisors, City representatives, and planners in the region. He stated that the initiative was shown to several individuals. He noted that public hearings are not normally held for the citizen initiative process. He felt that this initiative would qualify and individuals will have the opportunity to vote on whether it is a wise initiative or not. He wanted to make sure that the debate is as clean as possible. He felt that the authors were careful in crafting the initiative and stated his support of the initiative. He said that it has been heard that there are flaws associated with the Williamson Act process and that they are being corrected. He stated that it is virtually impossible to write a document without some flaws. He felt that flaws were minimized in this document. As the debate continues, he would like both sides to be as accurate as possible as this will be the only way individuals will make important decisions about future lands in the county.

No further comments were offered.

Mayor Pro Tempore Grzan said that he has been an advocate for open space and the preservation of the rural character for some time. It was on this basis he ran for a Council seat. He recalled that members of the Council also went on the premise of preserving open space and preserving a rural character. He felt that the amendments proposed are generally consistent with the recommendations of the urban limit line study. He stated that a vote against the initiative is also a vote against the work the City did in this regard. He felt it would be consistent for the Council to endorse the initiative as it would ratify what the urban limit line committee brought forth and recommended to the Council. He noted that South County residents value the open space and ridgelines. He stated that the Council developed the process of the urban limit line as part of the process with the general plan task force. He felt the initiative to be consistent with the actions taken by the Council, the values of Morgan Hill, and the comments he continues to hear from the community that this is a wonderful place to live based on its rural atmosphere. He stated his support of the initiative.

**Action:**        *Mayor Pro Tempore Grzan made a motion, seconded by Mayor Kennedy, to support the County Land Use Initiative and move it forward as a part of a process for Morgan Hill.*

Mayor Kennedy clarified that the urban limit line committee did not recommend the urban limit line be adopted by voter initiative. However there was some discussion of an initiative as an alternative, but this action was not taken.

Council Member Sellers said that he was not surprised by the early discussions about the initiative. However, as the initiative started to come together, he had significant issues and raised these concerns with several of the authors and individuals in the planning stages of the initiative. He stated that he still has a lot of concerns/issues. He noted that staff raised the issue of government protocol and not weighing in before the County does. He recommended the Council forego weighing in until the City hears what the County has to say about the initiative; being respectful of this protocol. He expressed concern with the unintended consequences. He noted the City is in the process of figuring out ways to allow development to occur adjacent to freeways and other appropriate areas in exchange for significant opportunities to preserve open space in perpetuity. He expressed concern that the initiative will

eliminate these opportunities and would defer any opportunities to negotiate with property owners in the future. The City may end up seeing some development in areas it wished had not occurred. He stated that he needs additional time to study the unintended consequences for South County. He said that Council members can weigh in individually on the initiative, as it often does, but not collectively. Should the ballot measure qualify for the November 2006 ballot, the Council may want to take a look at the initiative this summer after the County has weighed in, should this be the Council's preference. However, he felt that support of the initiative was premature as there are too many unanswered questions to support the motion this evening.

Council Member Tate stated his concurrence with the comments as expressed by Council Member Sellers. He read through the information contained in the agenda packet. He said that the information contained in the initiative appears to be good as the proponents are writing their side of the story. He did not believe there is an opportunity to review all of the "unintended consequences" or to understand all arguments against the initiative. He felt that taking a position on the initiative was premature and concurred with staff recommendation in terms of waiting for the County to weigh in on an initiative that will be of major impact to them.

Mayor Kennedy disclosed that he has personally endorsed and is one of the sponsors of this initiative. He has worked through the process of trying to protect hillsides, open space and agricultural lands. He has seen the current process not work. He noted that the ridgelines are covered with homes and that there are homes being built the City would not approve. He felt that homes are being built that are not appropriate because the County ignores the natural countryside/hillside setting. He did not believe the process has worked and that he is tired of waiting for it to work. Therefore, he endorses and supports this plan. He noted the City has lost some of its ridgelines and some of its open space, and that he does not want to see this continue further.

**Vote:**            *The motion failed 2-3 as follows: Ayes: Grzan, Kennedy; Noes: Carr, Sellers Tate.*

**24.    APPOINTMENTS TO FILL VACANCIES ON THE ARCHITECTURAL & SITE REVIEW BOARD, MOBILE HOME RENT COMMISSION, AND THE SENIOR ADVISORY COMMISSION**

Mayor Kennedy indicated that he spoke with Rocke Garcia, the third applicant for the Architectural & Site Review Board (ARB). He informed the Council that Mr. Garcia has withdrawn his application. Therefore, he recommended the Council endorse the appointment of Linda Hinkle and Jon Maxey to fill the two vacancies on the ARB.

**Action:**            *On a motion by Council Member Tate and seconded by Council Member Carr, the City Council unanimously (5-0) **Confirmed** the Mayor's appointment of Linda Hinkle and Jon Maxey (2-year terms) to the ARB.*

Mayor Kennedy noted that there are three vacancies on the Mobile Home Rent Commission. He recommended the following appointments: Charles Dillmann, Robert Graham and John Liegl

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**Action:**      *On a motion by Council Member Sellers and seconded by Council Member Carr, the City Council unanimously (5-0) **Confirmed** the Mayor's appointment of Charles Dillmann, Robert Graham and John Liegl to the Mobile Home Rent Commission (2-year terms).*

Mayor Kennedy recommended the following appointments to the Senior Advisory Commission: Susan Fent, Jeannette Riley and Gloria Subocz (2-year terms); and Betty Ancheta, Betty Gigliotti, Stanten Johnston and William Quenneville (1-year terms).

**Action:**      *Council Member Sellers made a motion, seconded by Council Member Grzan, to **Ratify** the Mayor's Appointments to Fill Vacancies on the Senior Advisory Commission as follows: Susan Fent, Jeannette Riley and Gloria Subocz (2-year terms); and Betty Ancheta, Betty Gigliotti, Stanten Johnston and William Quenneville (1-year terms).*

Council Member Tate said that he could not support the appointment of Staton Johnston as he did not offer construction to the Commission during the interview process. He did not believe it would be productive to have him appointed to the Commission.

Council Member Sellers stated that he shared same of the concerns expressed by Council Member Tate. However, he noted that the appointment would be for a one-year term and weighed this against the desire of individuals to serve the City. It was his hope that other Commissioners will undertake an effort to make this Commission a collective body. He said that Mr. Johnston will have a year to be a member of the Commission; working collectively on this newly created Commission.

Mayor Kennedy said that there have been concerns and issues expressed on the performance of the Senior Advisory Committee reporting to the Parks & Recreation Commission. However, he agreed that the Council needs to give this group of individuals the opportunity to see if they can work together. Perhaps, the Council may need to conduct dialogue or work with this Commission. As an alternative, the Council could ask this Commission to report to the Council on a periodic basis. If the Commission does not work well, the Council may need to make some changes. He said that this is a difficult assignment as there is a brand new senior center being built and lots of exciting things to take place. It is his hope that there will be greater participation by the senior community and that he would like to give this group an opportunity to see if it can perform. If it is found that there are problems following presentation of the quarterly reports, the Council can make some adjustments.

Council Member Sellers said that if Commissioners believe there are issues, the Commission need not feel compelled to wait for a year to report issues that arise. The Commission should step forward as the Council does not want to lose good volunteers if there are internal issues.

Mayor Kennedy requested that staff forward to the Commission that it needs to be a collaborative commission and that everyone needs to work together as there are very important issues that this commission needs to deal with. They all need to be a working commission and they need to give it their best time and energy to make it work. If this cannot be done, he would not support continued participation as this is a very important commission, and that it has the opportunity to do significant and positive work.

Council Member Tate concurred with Mayor Kennedy's comment that this commission needs to work together collaboratively. He felt the Council has to give the Commission the best chance to do so. By appointing Mr. Stanton, the Council may be taking away the opportunity to have this commission work collaboratively.

Mayor Kennedy stated that he met with the Chair and Vice-chair and that there are different perspectives. It was the Chair's belief the Commission will be able to work collaboratively.

Mayor Pro Tempore Grzan said that Mr. Johnson was a student of his for 18 weeks and that he was an excellent student who was helpful to other students and produced excellent work on the assignments given. In the interview process, Mr. Johnson may not have been clear as to what he was stating and that this was inconsistent to his performance in the classroom. He stated that he would like to give Mr. Stanton an opportunity to serve on this Commission.

Council Member Carr noted the Council does not have an option in appointments as there are seven candidates to fill seven seats. The Council discussed how it can get more participation so that it can have better options and to make sure the Council gives the commissions the best chance possible to succeed. It is his hope the commissions can do good work for the public and assist the Council. He was not sure how the Council can appease the concerns of others than to allow this commission to work together for a year.

Mayor Kennedy suggested that the Senior Advisory Commission return to the Council with quarterly reports until the Council is comfortable that the Commission is working collaboratively.

At the request of Mayor Pro Tempore Grzan, Mayor Kennedy agreed to make periodic contacts with the Chair of this commission to see how things are going.

**Vote:**            *The motion carried 4-1 with Council Member Tate voting no.*

#### **FUTURE COUNCIL-INITIATED AGENDA ITEMS**

No items were identified.

## ***City Council and Redevelopment Agency Action***

### **CLOSED SESSIONS:**

City Attorney Kern announced the below listed closed session items:

**1.**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Authority	Government Code 54957
Public Employee Performance Evaluation:	City Manager
Attendees:	City Council, City Manager

**2.**

**CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

Authority:	Pursuant to Government Code 54956.9(a)
Case Name:	Tichinin v. City of Morgan Hill
Case Number:	Santa Clara County Superior Court, Case No. 1-05-CV-046112
Attendees:	City Manager; City Attorney

### **OPPORTUNITY FOR PUBLIC COMMENT**

Mayor/Chairman Kennedy opened the Closed Session items to public comment. No comments were offered.

### **ADJOURN TO CLOSED SESSION**

Mayor/Chairman Kennedy adjourned the meeting to Closed Session at 10:15 p.m.

### **RECONVENE**

Mayor/Chairman Kennedy reconvened the meeting at 11:10 p.m.

### **CLOSED SESSION ANNOUNCEMENT**

Mayor/Chairman Kennedy announced that no reportable action was taken in closed session.

### **ADJOURNMENT**

There being no further business, Mayor/Chairman Kennedy adjourned the meeting at 11:12 p.m.

### **MINUTES RECORDED AND PREPARED BY:**

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**IRMA TORREZ, CITY CLERK/AGENCY SECRETARY**